

Notice of Public Hearing

Notice is hereby given that a public hearing will be held at the offices of the Arkansas Development Finance Authority (ADFA), 423 Main Street, Suite 500, Little Rock, Arkansas 72201, at 2:00 p.m., Monday, August 25, 2003, to discuss revisions to the HOME Policy and Procedures Manual

SUMMARY OF REVISIONS TO THE HOME POLICY AND PROCEDURES MANUAL (Adopted by the Board of Directors July 18, 2003)

- Maximum amount of HOME allocation increased from \$300,000 to \$350,000 per development application;
- Applications for HOME funds for multifamily projects will be underwritten with a minimum Debt Coverage Ratio ("DCR") standard of 1.10, including debt service on the HOME allocation;
- ADFA will not allocate HOME funds to single-family projects whose total development costs exceed the HUD § 203(b) mortgage limits for the applicable county in Arkansas.
- Applicants approved for funding that do not complete the required number of units will be in default of their HOME Agreement and in jeopardy of future funding through the HOME Program.
- Applicants may submit two HOME applications upon meeting certain conditions.
- ADFA shall limit the per unit cost for rental projects to \$90,000 per unit.
- ADFA form to calculate NOI and surplus cash for rental projects - See Form Section.

Any persons interested may appear at the public hearing at 2:00 p.m. on the 25th day of August 25 2003, and be heard for or against. All suggestions will be heard and considered. This hearing is being held pursuant to the requirements in the Arkansas Administrative Procedures Act.